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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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UTILITIES
COMPANY OF CALIFORNIA

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June 5, 1992

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FCC MAIL BRANCH

Donna Searcy
Federal Communications Commission
1919 M St. NW
Washington, D.C. 20554

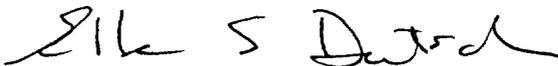
RE: Docket ET 92-9

Dear Ms. Searcy:

Enclosed for filing are an original and 9 copies of the comments of Citizens Utilities Company.

Please provide a stamped copy in the enclosed postage paid envelope.

Very Truly Yours,



Ellen S. Deutsch
Senior Counsel

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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of:)	
)	
Redevelopment of Spectrum to)	ET Docket No. 92-9
Encourage Innovation in the Use)	
of New Telecommunications)	
Technologies)	
)	

COMMENTS OF CITIZENS UTILITIES COMPANY

I. INTRODUCTION

Citizens Utilities Company (CUC) respectfully submits its comments in the above-captioned proceeding. CUC is a diversified public utility providing telecommunications, gas, electric, water and waste water services to over 830,000 customers in 12 states: Arizona, California, Colorado, Hawaii, Idaho, Illinois, Indiana, Louisiana, Ohio, Pennsylvania, Utah and Vermont. CUC is an investor in a cellular telephone company serving a potential market of 3.7 million subscribers and in a bypass telephone business operating in the states of Washington and Oregon. CUC also holds an experimental license in Sacramento, California to test various personal communications services (PCS) that it wishes to make available to its telephone subscribers.

As a diversified utility CUC has multiple and sometimes conflicting interests in this proceeding. CUC has a unique perspective because of its multiple utility operations and in these comments seeks to balance the needs of all of its utility companies.

II. DISCUSSION

CUC supports the Commission's objective to provide adequate spectrum in a reasonable time frame for the development and implementation of new innovative technologies and services to the American public. The Commission has attempted to balance this objective with the needs of the existing license holders in the 1850-2200 MHz band.

CUC believes that wireless telecommunications services will see explosive growth and increased demand over the next decade. As one of the few smaller independent telephone companies to receive an experimental license for PCS, Citizens Utilities Company of California is testing a variety of applications ranging from wireless local loop service, neighborhood PCS and wireless business systems for its suburban and rural customers.

CUC through its various operating companies also holds a significant number of fixed microwave licenses in the 2 GHz bands. While recognizing the overall benefit of new telecommunications services, these license holders are concerned about the impact of the Commission's proposal on them.

In this proceeding the Commission proposes several bands for relocation of fixed microwave users. These bands are located above 3 GHz. The propagation characteristics and the potential added costs to relocate to these higher bands are well known to the Commission and need not be reiterated here. The magnitude of the costs and the impact on operation of individual links will certainly cause significant delay in negotiations between existing fixed licensees and potential PCS licensees. This delay will not serve the Commission's objectives of bringing new technologies to the public expeditiously. The delay will hurt U.S. telecommunications manufacturers in the global market place by

denying them an early domestic market to build upon. Finally, the U.S. consumer and businesses will be denied the advantages of wireless communications.

CUC believes that the Commission can modify its proposal to speed up the process and to ensure that the balance is somewhat more evenly divided between the needs of the new service providers and the existing operators. Specifically, CUC proposes that the Commission undertake a serious effort to gain access to the adjoining government controlled 1.71-1.85 GHz band as a relocation band for the fixed microwave users. Use of this band would accommodate the operational needs of the displaced fixed microwave users and lessen the economic impact of the relocation negotiations.

The Utility Telecommunications Council (UTC), commenting on the use of this band said:

Relocation of displaced 2 GHz microwave users to the 1.71-1.85 GHz band would cause the least disruption to ongoing 2GHz operations, since the propagation characteristics of both bands are nearly identical. Moreover, the cost of such a relocation would be substantially less than a shift to a higher band.

The use of this band, as a relocation base for the microwave users who need to relocate from the 1.85-1.99 GHz band would accomplish several things: (1) it would reduce the transaction cost of relocation; (2) lower costs which would contribute to quicker relocation; (3) provide a means of clearing the 1.85-1.99 GHz band to provide a long term spectrum solution for PCS.

This band would provide an ideal relocation band for fixed users currently in the 2 GHz band. The government use of this band is for fixed point-to-point microwave and some mobile, space and

aeronautical operations. A cursory analysis of this band points out the geographic assignment symmetry between government users and prospective PCS licensees in the adjoining 1850-1990 MHz band.

While PCS will initially be predominately an urban phenomenon, government use of the adjoining 1.71- 1.85 GHz band is predominately suburban (and rural). Space operations in the government band are limited to specific geographical locations in a discrete portion of the band. Aeronautical operations are associated with test range programs not normally found in built-up urban locations. Finally government fixed operations dominate the use of this band and tend to be less urban than the proposed PCS operations. As a result, this band could accommodate a large number of fixed urban licensees from the adjoining non-government band.

Moreover, pending spectrum legislation presents a real opportunity to effect an NTIA/FCC sharing of this band. Currently, the government is faced with the possibility of "giving up" nearly 200 MHz under legislative proposals being debated in Congress. Legislative language, inserted in the bill, to permit government "credit" for sharing spectrum for emerging technologies would accelerate negotiations between the FCC and NTIA. Lacking such a provision however, there is no incentive for NTIA to cooperate on sharing spectrum.

CUC recommends the FCC and NTIA open discussions leading to a sharing concept that would allow fixed users in the 2 GHz access to the adjoining government band for relocation.

III. CONCLUSION

PCS, in its initial stages, will be an urban phenomenon. Accordingly, urban fixed users will be the first to relocate. The non-urban distribution of the government use of the adjoining 1.71-1.85 GHz band makes it the most attractive solution

(economically and operationally) to the problem of where to relocate the fixed users from the PCS band. CUC believes that using the adjoining government band to relocate fixed microwave licensees is the best solution to balancing the needs of both new service providers and existing fixed operations.

Respectfully Submitted:


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June 5, 1992